Previous references.

1909-10

(Banking)

File No. 8-09

Serial Nos. 43, 44

Later references.

Brang II · SS 25-26 · Bank 9-10.

KR 484-1285/42

GENERAL AND REVENUE SECRETARIAT.

Serial Nos. 43, 44

Part B. for March 1911

SUBJECT.

Writing off the accounts of an irrecoverable balance due by A. Shamakao, an indebted member of the late Chikmagalur Agricultural Bank.

---

43. From the D.C: Kadur District. No. 429 d. 6-5-10 submits final report regarding the closing of the accounts of Mr. A. Shamkhao, an indebted member of the late agricultural Bank at Chikkamagalur.

44. To the Deputy Comr Kadur District and Comptroller No. R. 4517-8 dated 28-3-11 Directing that the balance due from the said member be written off the accounts

G.R.S. 11]

1909-10

GENERAL AND REVENUE SECRETARIAT.

(Banking

NOTES.

File No. 8-09

FILE HEADING.

Agricultural Bank at Chittagong

From The Dy Commr Kadur Dt

No. 429 Dated 6-5-10 Received 7-5-10

Diary No. 4533 | Enclos. 1 | Spare Copies | Serial No. 43

BRIEF ABSTRACT OF LETTER.

Submits final report regarding the closing of the accts of Mr. Sh. Shama Ram an indebted member of the Co-op Bank at Chittagong

NOTES AND ORDERS.

Mr Shama Ram owed to the Bank Rs 32835- towards principal & advance for working expenses & Rs 12879-9-9 towards interest Thus amounting in all to Rs 45714-9-9

Notes—First sheet

GPB—30,000—3-1-07.

Serial No.

The recovered up to now from Govan Thus huge sum amounts to Rs 445-5-13-11 leaving a balance of Rs 37258-11-10 unadjusted. The Dy Commr has forwarded a list of the properties belonging to Lur Shama Ram yet remaining to be proceeded against. These consist of 7 items worth in all Rs 1092. The 2 most valuable items out of these are 2 houses worth 800 + 150 Rs respectively + ~~both~~ the large property is not in possession of Lur Shama Ram. The Dy Commr recommends that these properties may be left for the maintenance of Lur Shama Ram as he is in a very destitute condition. It is very doubtful whether these properties are easily accessible to be proceeded against judging from the remarks made against each.

800 + 150 + 80 + 2 + 5 + 50 + 5

Serial No.

0

Para 2 of the Dy Comms letter contains very interesting & important informations. These are in response to Govts orders contained in para 3 of G.O. No 2403-5/B 8-09 -14 & 17th Nov 09. The Dy Comm draws attention to the glaring difference between the first & second Valuations - resulting in a depreciation of a quarter of a lac within a space of 2 years. This big fall cannot entirely be accounted for by the slump in the coffee industry. This was spread over a period of 13 yrs. The lower was a recent factor & the neglect could not have been from the beginning as the estate is pronounced to have been in excellent condition. The conclusion arrived at in the last para in the light of facts mentioned in the foregoing para is

NOTE—Contn. sheet.

GPB—55,000—27-4-09

Serial No.

not commung.
Perhaps it will be helpful in coming to a correct view on the subject of the original Valuation of the first four items mentioned in the Statement are obtained. No 1 house in Chittamgalam could not have been affected by the Shanis in the coffee industry & Since it is not expressly stated to be out of repairs it may be presumed to be made in the same condition it was before.
The above equally applies to items 3 & 4
Submitted for orders
Sd
27/5
30/5/10 Mr. Cummins to send for Mr. Nelson
is keeping the matter open. Whosoever
has been in the wrong, the fact remains
that the Valuation was excessive & high and
the Rosealine Mr. Nelson has landed got
in a heavy loss. The accounts of the debtor
may be closed as the irrecoverable balance
may be rendered a due write off. Mr. Nelson perhaps

NOTE—Contn. sheet.

GPB—55,000—27.4.09

Serial No.

favor of a persecution to further sell the
effects upon the head of the debtor so that
seems like the effects property with something
though it would certainly be unpleasable
If not are inclined to extend their clemency
the useless properties whose sale would
not benefit us but leaves the debtor poorer
Still may be left therein.

(Asst Secy) 4/10.5.10

It would be cruel to sell up the
other remaining properties of small value.
The balance of the Debt may be written
off & the account closed -

6436
2.6.10

Dewan 6/6/10

Circulate to Councillors. If
the Councillors have no
objection the balance may
be written off — 11/June/10

Circulate
12/6/10

12/6/10

To the First Councillor)

K.S.
14/6

GPB—65,000-27-4-09

Serial No.

2483
15.6.10

This is a pitiable case of total wreckage of a once flourishing property which came within the influence of the Agricultural Bank. The man is ruined for life
The balance of loan & interest may be written off.

KM
15/6/10

2nd (Councillor):

4079.

There is little to be gained by selling this property of insignificant value. The arrears may be written off. It is perhaps the generosity of Govt in making it too easy for the holders of Coffee lands to obtain loans, that made them improvident and brought about the ruin of many estates. It seems to be a lesson learnt at great cost.

Note—Contn. sheet.

GPB—55,000—27-4-09

21/6/10

Dal 21/6/10

(7

G. R. S. 12]
General and Revenue Secretariat.

Banking File No. 8 of 1909

Serial No.	
	Submitted with a draft
K.S.
27.6.10
Dewan)

6679
28-6-10

27.6.10

Note—Contn. sheet.

GPB—55,000—27.4.09

Submitted to His Highness.

I submit for approval the accompanying draft of an order authorizing the writing off of an irrecoverable balance of Rs.37,258-11-10 due by A. Shama Rao an indebted member of the late Chikmagalur Agricultural Bank. Both the Councillors are agreeable to the arrears being written off, and there is also no financial objection to the arrangement proposed.

N. Page 6 of note

Page 4.

2. The facts of the case and the circumstances under which such a large amount is proposed to be written off, are fully explained in the Deputy Commissioner's letter dated 4th May and the office notes.

872

30/July/20

Record of Cases submitted for the Orders of His Highness the Maharaja.

Subject.

Writing off of an irrecoverable balance of Rs.37,258-11-10 due by A. Shama Rao an indebted member of the late Chikmagalur Agricultural Bank.

Order.

F. R. S. 12]
General and Revenue Secretariat.

B File No. 8 of 1909

Serial No.

D. O. No. R 1279

Do. No. 38

Government of Mysore

Kankal Hadli
2.8.10.

My dear Sir.

Before passing final orders in the case of "A. Shama Rao, an indebted member of the late Chikmagalur Agricultural Bank" this Highness would be obliged if you would kindly have the necessary information taken for, to make certain, whether

Draft sent.
9/8
Issue
11/8/10
11/8/10
11/8/10

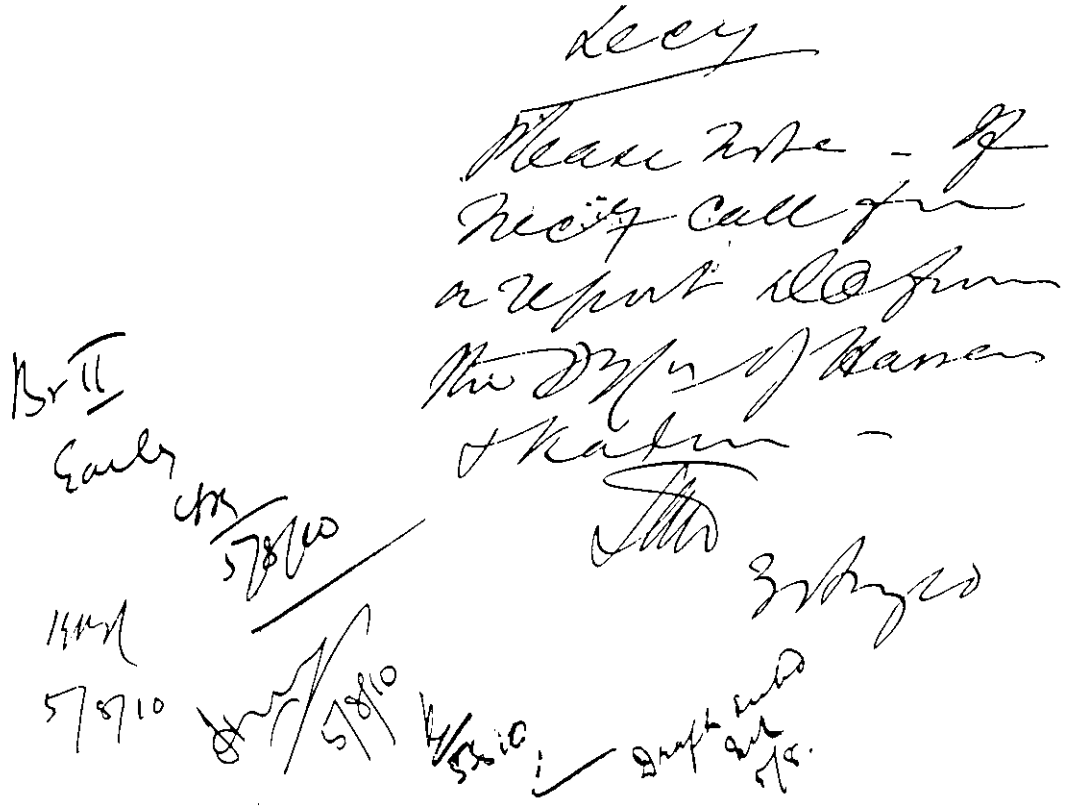
Note—Contn. sheet.

GPB—55,000—27.4.09

his a solitary case which
exceptional treatment might be
safely accorded. or one of several
of the same nature yet
come up. This will in no much
hopes however, that the Calcutta
is not the exact state of affairs!

Yours sincerely
P. Kaykaushroo Jal

J. Cruickshank Esq C.E.
Secretary of Municipal Committee.



No 1
S.

0757

A.

Kadur District Office,

Dated Chikmagalur 15th. Aug. 1910.

My dear Sir,

In reply to your D.O.letter No. Fl 828 dated the 12th/13th instant asking to be informed whether the case of Mr. A.Shama Rao - member of the late Chikmagalur Agricultural Bank - is a solitary one or whether there are any other similar cases which are likely to come up before Government for exceptional treatment, I have the honor to state as follows:-

There were 20 members of the late Chikmagalur Agricultural Bank who were indebted to Government in sums ranging from Rs.2500/- to Rs.44000/-. The cases of two of these members- P.Jagannath Rao & M.Sarasvatamma have already been finally disposed of by Government in their Orders Nos.Fl.2479-80/ B.8-09-10 dated19th Nov.1909 & Fl.4822/3 dated 29th. March 1910, respectively. Two cases are now pending orders before Government - those of A.Shama Rao the

(the subject of your D.O.)-& of Shivaji Ramachandra (submitted to Government with my letter No. 9 dated 5/7 th. July 1910.) One case - that of Abdul Khalik - is almost completed and a final report will soon be submitted about it. This case is similar to that of Shama Rao and may perhaps come up before Government for exceptional treatment and consideration. It is in this case that the Government in their order No.Fl,5325-6 B.32-09 dated 29th. April 1909, have sanctioned the transfer of the coffee estate to a third party for Rs.7000/- of which Rs. 2000/- have already been received and Rs.5000/- yet remain to be recovered. Deducting this sum of Rs.7000/-, there will remain still a balance of Rs.10000/-(including interest to the extent of Rs.3500/-) against the member for the recovery of which, there is not property enough, except a few houses and a paddy land worth one or two thousand rupees, which the member has been requesting to be saved from attachment and sale.

In the remaining 15 cases, although I am not hopeful of realizing the outstanding loans in their entirity, yet I am not at present in a position to say what portion of the loan will be recovered in these cases and what special

concessions may be asked for or considered necessary with respect to them. I may say that in one of these cases the member (Chandregowda) has paid up the full amount of the principal and has requested the remission of the interest: and this has been reported to Government for orders in my letters Nos.390 & 405 dated April 1910, on which the final orders of Government have not been received yet, If this concession is allowed, it is likely that one or two more members will also ask for a similar concession and if it is granted, pay up at once the full amount of the principal of their loan.

Yours Sincerely,

W. D. Sivaraman Esq

To,

C.S.Balasundaram Iyer, Esquire, B.A.,

Secretary to Government,

Gen.& Rev. Departments.

D874

Confidential

Hassan
24th August 1910.

My dear Sir,

Adverting to your Confidential D.O. letter No. F. 829 dated 12th/13th August 1910, I herein enclose a Statement for information showing the Outstanding balances at the close of 1909-10 against each member of the late Sahlespur Agri-cultural Bank after deducting sale proceeds of certain properties which had been hypothecated to the Govt. loan, and the valuation (made in 1904) of the remaining properties.

2. It may be observed that the

the outstanding balance against each Estate-owner (except Mr. Y. Usman Sab) is very much in excess of the valuation of his properties remaining unsold, and is particularly so in the cases of Messrs K. Appaji Gowda, Pattabhirama Rao, K. Basave Gowda and S. Gundappa.

3. The total valuation of the properties of each Estate-owner as shown in column 13 of the enclosed Statement as made in 1904 is of course now very much less in most cases.

4. I therefore anticipate that even after the sale of the properties of most of the Estate owners, there would still be heavy irrecoverable balances against them - particularly relating to the four

I

I have named above, to whom Mr. H. Lala Sab may also have to be added owing to the heavy balance against him as compared with the value of his properties.

5. Under Column 14 of the enclosed statement the proceeds of sales of the properties of certain members, as sanctioned by Govt from time to time, have been entered and the figures shown under Col. 7 against those members indicate the respective amounts outstanding against them after deductions of the respective sale proceeds.

6. With reference to the Malali Estate which belonged to the late Mr. M.N. Subbiah elder brother of N. Patabhiramiah (mentioned in the foot

foot-note of the enclosed statement) I have addressed you in my letter No 1/Ag 5 dated the 25th July 1910 requesting you to obtain the Sanction of the Government to that Estate being put up to auction sale. taking the highest offer viz Rs 15,000/- as the first bid (before 11th Aug 1910) D 411

7. In anticipation of Govt Sanction to the same I have not applied for any allotment for working expenses of that Estate under Govt management during 1910-11. I therefore request that you will be so good as to obtain & intimate the very early sanction of Government in the matter, particularly as nearly a months notice will be necessary for publication of the sale notification in the Mysore Gazette besides local publication -

Yours sincerely
D M Wellerall

C. S. Balasundaram Iyer Esq B.A.
Offg Secy to Govt
Genl & Rev Dept, Bangalore

Statement showing the outstanding balances against each member of the late Saklespur ... hypothecated to the Government loan) and valuation ...

No.	Names	Balance outstanding at the end of the year 1909-10. Loan	Interest on Loan	Working Expenses	Interest on Working Expenses	Total	Value of hypot (estimated in 1904) ... to prop Coffee	Wet-
1	2	3	4	5	6	7	8	9
1	Udenvar Brothers	65,216 15 -	17,848 4 11	- - -	- - -	83,085 3 11	31,500 - -	8,197 8 -
2	Mr K. Appaji Gowda (b)	18,430 6 8	4956 2 5	- - -	- - -	23,386 9 1	4,595 8 5	1,304 7 -
3	" K. Lalasab	38,464 2 4	16,534 11 1	188 - -	- - -	55,186 13 5	17,000 - -	2,838 6 -
4	" T. Usmansab	29,194 15 -	21,604 6 2	- - -	- - -	50,799 5 2	52,948 9 -	285 - -
5	" Abdulrahimansab	38,834 - -	14,514 5 4	- - -	- - -	53,348 5 4	31,725 6 -	1,102 8 -
6	" R. Pattabhiramiah ※ brothers of the deceased Mr M. R. Subbiah.	63,558 4 1	22,586 2 6	- - -	- - -	86,144 6 7	30,591 13 7	1,224 - -
7	" W. Manjiah	7,398 - -	3,030 1 8	- - -	- - -	10,428 1 8	2,042 6 5	1,935 - -
8	" K. Basvégowda (a)	18,021 - 11	6,283 8 11	- - -	- - -	24,304 9 10	- - -	1946
9	" S. Gundappa (c) son of the deceased Mr S. Sreekantiah.	42,528 15 6	29,881 8 5	- - -	- - -	72,410 7 11	- - -	1,194 6 -
10	" M. Kalappa.	10,287 - 2	3,666 3 6	- - -	- - -	13,953 3 8	7,519 8 3	- - -
	Total	3,31,933 11 8	1,40,905 6 11	188 - -	- - -	4,73,047 2 7	1,77,923 3 8	30,016

Dated Hassan
24th August 1910

The Malali Estate which ... has been under Govern... 26th August 1908. Private n... an offer of Rupees 15,000/- ... General and Revenue Secr... been addressed in this ... July 1910 to obtain sanct... auction sale of this Est...

icultural Bank (after deducting sale proceeds of certain properties which had been ade in 1904 of the remaining properties.

cated properties
to deductions relating
ties sold.

Sale proceeds realized and deducted from the total balance outstanding at the end of 1909-10 shown in col: 7.

ry			Garden			Buildings			Total			14
10			11			12			13			
00	10	-	500	-	-	8,900	-	-	55,298	2	-	(a)(1) The Kithalli Coffee lands were sold to Mr. A. F. Anderson for Rs: 946-12-0 as per Government Proceedings No: 71 85-6 / 1333-04-24 dated 5th July 1905.
88	7	-	18	12	-	600	-	-	7,307	2	5	
12	1	-	-	-	-	2,075	-	-	22,125	7	-	(2) The major portions of wet and dry lands together with the buildings were sold by public auction for Rs: 3,592-10-10 Vide Government Proceedings No: 71. 9593/1313-06-30 dated 27th June 1907.
84	2	-	-	-	-	6,937	8	-	60,405	3	-	
18	2	-	-	-	-	4,150	-	-	37,306	-	-	(3) The Kabbinahalli Estate was sold to Mr. Brooke Mockett for Rs: 2725-8-0 Vide Govt: proceedings No: 71. 7548-9/1311-08-11 dated 18th May 1909.
14	2	-	-	-	-	9,225	-	-	41,724	15	7	
48	8	-	-	-	-	3,375	-	-	8,400	14	5	(6) Kavilhalli S.Dra 1/2 acres - 12 / Thippapur 1/2 - 39 } A portion of the Estate as noted in the margin was sold to Mr. J. G. H. Crawford for Rs: 4860/- as sanctioned by Govt: in their proceedings No: 71. 3726-7/1333-07-16 dated 29th January 190
7			-	-	-	-	-	-	1,946	5	7	
58	3	-	-	-	-	5,812	8	-	7,265	1	-	(C) The Estate was sold by public auction for Rs: 24,000/- Vide Government proceedings No: 71 95-4-5 / 1311-08 dated 7th August 1909, and there remains only wet and dry lands as well as some house site out of the properties hypothecated to the loan.
34	6	-	-	-	-	2,350	-	-	10,103	4	3	
1			518	12	-	43,425	-	-	2,51,883	1	3	

longed to the late Mr. M. A. Subbiah
ent management since the
tiations were going on in which
aving been received, the
ary to Government has
fice letter No: Agg dated 20-9 / 27-9 (in 411, with in 7 on 11-6-10
n of Government to the
te.

M. W. Wetherall

Deputy Commissioner
Hassan District

Serial No.

Q

The Dy. Commrs of Kadur & Hassan have sent their replies which are subd. The Dy Commr of Kadur besides getting the disposed of cases of Ishwara Jagannath Row & Narasimhamma (also the case of the Abdul Khaliq now being dealt with as one likely to need Spl treatment. He is reticent in regard to the other cases yet remaining undisposed of.

The Dy Commr of Hassan D[illegible] has supplied up to date information in the form of a tabular statement & states in his D.O. that he anticipates that even after the sale of the properties of most of the estate owners there would be still heavy irrecoverable balances in cases particularly so in the case of 4 members —

Viz[illegible] Appaji Gowda
" L. Pattabhiramiah
" S. Gundappa
" K Basave Gowda

4 Q

& I accompanying sheet shows balances due & recoverable

Subd with 29/8

29/8/09

29/8/09 (Sent Secs)

Serial No.

Names — Balance due — Value of properties remaining unsold as security as valued in 1904

2 Rlespur Bank. Appaji Gouda — 23386-9-1 — 7307-2-5

Dattatriramiah — 86144-6-7 — Estate sold for 15000 & pending Govt sanction

Basava Gouda — 24304-9-10 — 1946-5-7

Gundappa — 72410-7-11 — 7265-1-0

Son of the Srikantaiah

The Kampala Bank — Abdul Khaliq

The Dy Commr Kadur Dt says that about 1000 Rs may have to be written off in his acct.

It will be seen that Shamegowda's is not the only case in which concessions will be necessary & large amounts will have to be written off.

Dewan

CBB 31/8/10

7657 / 1.9.10

Please circulate & Comments for further opinion if any — 31/8/

[The enquiry into original Estimate & present value requires comment]

Attd 6/9/10

Circulate

HB 8/9/10

4/9/10

737. 10/9/10

This is a sad tale and we

NOTE—Contd. sheet.

Serial No.

have to face the situation boldly and release the unfortunate men from the position in which they find themselves by the misplaced generosity of Government.

Each case may be decided on its own merits.

381.

~~I fear that~~

There are a number of Cases likely to come up before Govt sooner or later for some consideration at the final Settlement. The money advanced is not likely to be recovered except to a trifling extent & Slight ~~Cons~~ Concessions shown to these once prosperous Raiyats to save them from absolute ruin is not likely to add materially to the loss Govt is likely to sustain in any case. The

GPB—55,900—27.4.09

Serial No.

Concession recommended in this case may, I submit, be sanctioned —

13/9/10

Dewan

7864
15-9-10

GB
14/9/10

GPB—55,000—27-4-09

Submitted to His Highness.

With reference to the Officiating Private Secretary's D,O.letter No.38 dated 2nd August 1910 inquiring whether the remission of Rs.37,258-11-10 due by A. Shama Row to the late Chickmagalur Agricultural Bank is the only case calling for an exceptional treatment, I submit for His Highness' information the D.O. letters received from the Deputy Commissioners of Kadur and Hassan Districts reporting upon the circumstances of the other members.

2. It will be seen from the statement in the file that out of Rs.9,76,765 advanced to the Coffee Banks of Chickmagalur and Saklespur, a sum of Rs. 3,20,769 or about 33 per cent was recovered up to the end of June 1910 and that the balance of interest due on this date amounted to Rs.89,398. Thus the aggregate sum due from the Banks amounts to Rs.7,45,394.

3. The Deputy Commissioner of Kadur reports that he is not hopeful of realizing the outstanding loans in their entirety and that he cannot say at present what portion of the loan will be recovered

from the indebted members.

4. The Deputy Commissioner of Hassan anticipates that even after the sale of the properties of most of the indebted members, there would still be irrecoverable balances against them.

5. The Second Councillor is of opinion that the concession recommended in Shama Rao's case may be sanctioned. The First Councillor notes that "each case may be decided on its own merits".

6. The writing off in this case may be sanctioned. "The misplaced generosity of Government"referred to in the First Councillor's note was based very much on the valuation of the security properties by local officers.

Record of Cases submitted for the Orders of His Highness the Maharaja.

23.9.10
" 1498.

Subject.

Writing off of an irrecoverable balance of Rs.37,258-11-10 due by A. Shama Rao, an indebted member of the late Chikmagalur Agricultural Bank.

V.O

Order.

Approved

K'RM

24/9/10

Secy

Sd/-

26/9/10

II

CS

27/9/10

27/9/10

875.

20

G.R.S. 13]

ine Notes.

ıs, etc., not intended for permanent record]

Respectfully submitted

The order put up in Shamrao Dowo case having met the approval of His Highness may be directed to issue - The present enquiry as regards our valuation arising out of this case cannot affect the present order. it is for consideration whether & hence the issue of the order need ~~not~~ be delayed any longer -

Sd/- S. Venkateshwara (Auditor) 22.3.11.

Please issue the order - I do not understand why it was not issued before last.

27/3/11

44. To the D.C. Kadur
Comptroller

No AE. 4577-8 d. 28.3.11

Directs that the irrecoverable balance due from Sri. A Shamarao be written off the accts.

Let me see this on monday

25/3/11

N B.—Should routine notes be written on small slips, the notes must be copied, or slips pasted on this form.

Issue order

Abi Shamarao

Advocate 27.3.11

GPB—35,000—21-4-09

D24555

190

From The Deputy Commissioner,
Kadur District.

To The Secy. to the Govt. of Mysore
Gen. & Rev. Depts.

Dated 4th

Despatched 6th May 1910.

Received

General No. 429
No.

Enclosure No.

Submitting a final report regarding the closing of the accounts of Mr. A. Shama Rao- an indebted member of the late Agricutural Bank of Chikmagalur.

Office of the Deputy Commissioner,

Kadur District,

Dated, Chikmagalur, the 4th May 1910.

From

K.A.Srinivasa Iyengar, Esquire, M.A.,

Deputy Commissioner,

Kadur District.

To

C.S.Balasundaram Iyer, Esquire, B.A.,

Offg: Secretary to the Govt. of Mysore,

General and Revenue Departments.

Sir,

Adverting to Government Proceedings No. 2403-5/ R.S-09-14 dated 17th November 1909, and Fl. 3683-4/R.S-09- dated 1st February 1910, passing orders in the matter of sale of certain properties belonging to Mr.A.Shama Rao, an indebted member of the late Chikmagalur Agricultural Bank, and calling for a final report regarding the closing of his accounts, I have the honor to state that Mr.Budan Sab, the purchaser of the property referred to in the latter of the above proceedings, has paid up on the 14th March last, as agreed by him, the balance of Rs. 4500/- due from him towards the purchase money of Rs. 7000/- and has duly taken possession of the property. By this realization of Rs. 7000/- the total recovery towards the loan due from Mr.Shama Rao will amount to Rs. 8455-13-11. Deducting this sum from the whole of the loan of Rs. 45,714-9-9, including the accumulated arrears of interest and the current interest up to 1st April 1910, (Rs. 32835/- towards principal and Rs. 12879/--9-9 for interest) there will remain a balance of Rs. 37258-11-10.

2. I append to this report a list of properties still in the possession of Mr.Shama Rao and which have not been proceeded against in satisfaction of his debt. Of these properties, Sur, Nos. 21, 461 and 526 are lands of small value worth only about

Rs.60/-. These were not sold before for the reason that they were not included among the properties hypothecated to the Bank by Mr. Shama Rao. The remaining properties shewn in the list, which consist of 2 houses with vacant sites attached at Vastara, and a house at Chikmagalur, are among those hypothecated to the Bank. It is reported that Mr. Shama Rao had sold his house at Chikmagalur in 1907 to his son-in-law (since deceased) for Rs. 500/- under the belief that it had not been hypothecated to the Bank. A reference to the documents, &c., filed with the Bank, however, shews that the house referred to was included in the Schedule of properties originally hypothecated by Mr. Shama Rao to a private person and that the registered No. of that deed was quoted in the deed of hypothecation drawn in favor of the Bank when money was borrowed from it by Mr. Shama Rao to repay the private debt. Thus it is clear that all the properties referred to in the original deed were hypothecated to the Bank also in turn. I understand from my personal enquiries that the two houses at Vastara have no demand whatever and that one of them is in quite a dilapidated condition and that if sold at all the materials might fetch a hundred rupees.

Thus it will be seen that while the balance still due from Mr. Shama Rao is so large as Rs. 37258-11-10, the value realizable from the above properties does not amount to more than about Rs. 1200/- which is comparatively a trfling sum. Mr. Shama Rao prays that these properties at least may be left to him as he will be otherwise rendered homeless and absolutely destitute. Considering the pitiable condition of Mr. Shama Rao and the very small return that can be had from the disposal of the remaining properties also by sale, I beg to recommend that these properties may be kindly left to him for his living and that the balance of his loan may be ordered to be written off the accounts as being irrecoverable.

As regards the causes of the heavy loss which has accrue

to Government by the closing of this debtor's account, I beg to state that the loss is due primarily to the very great disparity between the present condition and market value of his properties and their condition and value at the time of the formation of the Bank. The appended statement will show the valuations made of this debtor's properties at the time of the opening of the Bank and subsequently again in 1899.

Name of member	Name of the Estate or nature of the property	Estimate originally made by the Taluk authorities	Estimated value by the Panchayet in March 1897 at their inspection with the Inspector of Agricultural Banks.	Value adopted by the Inspector of Agricultural Banks	Value as Estimated by the Bank	Value fixed by the Deputy Commissioner (Mr. Carr) in March 1899.	Remarks Realization at the last sale
Mr. Shama Rao. Mr. Bhima Rao. (Late)	Amur coffee Estate	85,000	60,000	60,400	67000	35,000	7200
	Wet and dry lands at Vastara and Ahua.		7500	6600		7000	1456.
	Total	85,000	67,500	67,000	67,000	42,000	8456.

It will be seen that the Inspector of Agricultural Banks - Mr.Chengiah Chetty-estimated the value of Mr.Shama Rao's property at Rs. 67000/- at the time of the formation of the Bank in 1897, but that within two years, it had depreciated to such an extent that Mr.Carr, who valued it in 1899, did not consider it as worth more than Rs. 42000/-. The price now realized by the sale of the property is only about 1/8 th of Mr.Chengiah Chetty's and 1/5th of Mr.Carr's estimate. This rapid fall in the value of the coffee lands within the last thirteen years is due to the ~~depreciation~~ depression on the coffee industry caused by the fall in the price of coffee in consequence of which estates have considerably gone down in value, everywhere all over the District.

The low price now realized for the Estate is also due to its deterioration, owing to its continued neglect and inattention from want of funds to work it. This coffee Estate, which is said to have been once in an excellent condition, has been devastated by the borer to such an extent that there are very few healthy trees left on it at present. Even the price of Rs. 7000/- now realized for it was beyond our expectations and was as I have already reported, due to te efforts of the local officers to obtain the best possible price for the property by means of private negotiations. As regards paddy and other lands, these also considerably deteriorated in value, as many of them had been left uncultivated for years by Mr Shama Rao owing to want of funds.

In the above circumstances, I think that the heavy loss that has now accrued to Government in this case should be attributed not so much to overvaluation of the properties originally for purposes of mortgage to Government as to the unforseen depreciation of the properties from causes beyond the control of the owners.

I have the nonor to be,

Sir,

Your most obedient servant,

K.S.S. Narasimhan

Deputy Commissioner,

Kadur District.

Village.	Sur. No. & description of land &c.,	Extent.	Assessment.	Remarks.
1. House	Property in Chikmagalur Town.			Worth Rs. 800/- said to have been sold by Mr.Shama Rao to his son-in-law (now deceased).
2. House No. 19 & hittal, at Vastara.				Belongs to Bhima Rao (now deceased). Is in a dilapidated condition. Materials said to be worth Rs. 150/-. Bhima Rao was brother of Shama Rao and was also a Bank member. (His debt was included in Shama Rao's).
3. House No. 23 with Panata at Vastara.				Belongs to Bhima Rao as above. Worth Rs. 80/-.
4. Site No. 21 at Vastara.				Worth only about Rs. 2/-.
5. Vastara	Sur. No. 313, wet.	1-34	5-0-0	In the khate of Shama Rao. Worth Rs. 5/-. Shama Rao says it is in possession of his brother Rama Rao's wife.
6. "	461 (Coffee) including a tiled house on it.	0-12	0-6-0	In Mr.Shama Rao's khate. Worth Rs. 50/-. 3 years' assessment is due on it. In possession of late brother Rama Rao's wife.
7. "	528 dry.	0-22	0-8-0	In Shama Rao's khate. Worth Rs. 5/-.

Deputy Commissioner,

Kadur District.

27-3-11

G.R.S. 28.]

File No. 8—09

Serial No. 44

Diary No. of letter replied to 4555

Proceedings of the Government of His Highness the Maharaja of Mysore.

GENERAL AND REVENUE SECRETARIAT.
(Banking)

O. M.

, *the* 19

Date of issue 28—3—11

Signed by W L Narasimharaja

READ—

1) G.O. no. H: 2403-5/B8-8 dtee 17.11.09 and no: H: 3683-4 B8-09 dtee 1.2.1910, directing the Sale of certain properties belonging to Mr. T. Shamarao, an ind member of the late Chikmagalur Bank and calling for a final report regarding the closing of debtor's accounts with the Bank.

2) Letter no. 429 dtee 6th may 1910, reporting that th total recovery towards the loan due

over

SUBJECT.

GPB—5,000—7-5-09

from Mr. Shama Rao amounted to Rs: 8455-13-11 and recommending that the balance of Rs: ~~45,714-00~~ 37,258-11-10 may be written off the accounts.

Order thereon:- No. Je 4517-8 dt 28-3-11

In the circumstances of the case, the Govt are pleased to direct that the balance of the loan due from Mr. Shama Rao may be written off the accounts.

27.6.10.
for Offg. Secy.

To the D.C. Kadur for information.

K.S.
27-6-10

27/3/11